

104TH CONGRESS }  
1st Session } HOUSE OF REPRESENTATIVES { REPT. 104-11  
Part 2

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## LINE ITEM VETO ACT

JANUARY 30, 1995.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. CLINGER, from the Committee on Government Reform and Oversight, submitted the following

## R E P O R T

together with

## MINORITY AND ADDITIONAL VIEWS

[To accompany H.R. 2]

[Including cost estimate of the Congressional Budget Office]

The Committee on Government Reform and Oversight, to whom was referred the bill (H.R. 2) to give the President line-item veto authority over appropriation Acts and targeted tax benefits in revenue Acts, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

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The amendments (stated in terms of the page and line numbers of the introduced bill) are as follows:

Page 3, lines 4, 5, and 6, strike “twenty calendar days (not including Saturdays, Sundays, or holidays)” and insert “ten calendar days (not including Sundays)”.

Page 3, line 6 and 7, strike “a regular or supplemental appropriation Act or a joint resolution making continuing appropriations” and insert “an appropriation Act”.

Page 3, lines 9 and 12 insert “or reconciliation” after “revenue” each place it appears.

Page 3, after line 10, insert the following new subsection:

(b) DEFICIT REDUCTION.—In each special message, the President may also propose to reduce the appropriate discretionary spending limit set forth in section 601(a)(2) of the Congressional Budget Act of 1974 by an amount that does not exceed the total amount of discretionary budget authority rescinded by that message.

Page 3, line 11, before “The” insert “

(c) SEPARATE MESSAGES.—”.

Page 3, line 11, strike “rescission” and insert “special”.

Page 4, line 5, after “session” insert “, beginning on the first calendar day of session after the date of submission of the special message,”.

Page 4, line 23, strike “day” and insert “Monday in February”.

Page 5, strike lines 16 through 19, and insert the following:

(3) The term “targeted tax benefit” means any provision of a revenue or reconciliation Act determined by the President to provide a Federal tax deduction, credit, exclusion, preference, or other concession to 100 or fewer beneficiaries. Any partnership, limited partnership, trust, or S corporation, and any subsidiary or affiliate of the same parent corporation, shall be deemed and counted as a single beneficiary regardless of the number of partners, limited partners, beneficiaries, shareholders, or affiliated corporate entities.

Page 5, after line 19, insert the following new paragraph:

(4) The term “appropriation Act” means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

Page 9, after line 9, add the following new section:

**SEC. 6. REPORTS OF THE GENERAL ACCOUNTING OFFICE.**

Beginning on January 6, 1996, and at one-year intervals thereafter, the Comptroller General shall submit a report to each House of Congress which provides the following information:

(1) A list of each proposed Presidential rescission of discretionary budget authority and veto of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year, together with their dollar value, and an indication of whether each rescission of discretionary budget au-

thority or veto of a targeted tax benefit was accepted or rejected by Congress.

(2) The total number of proposed Presidential rescissions of discretionary budget authority and vetoes of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year, together with their total dollar value.

(3) The total number of Presidential rescissions of discretionary budget authority or vetoes of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year and approved by Congress, together with their total dollar value.

(4) A list of rescissions of discretionary budget authority initiated by Congress for the fiscal year ending during the preceding calendar year, together with their dollar value, and an indication of whether each such rescission was accepted or rejected by Congress.

(5) The total number of rescissions of discretionary budget authority initiated and accepted by Congress for the fiscal year ending during the preceding calendar year, together with their total dollar value.

(6) A summary of the information provided by paragraphs (2), (3) and (5) for each of the ten fiscal years ending before the fiscal year during this calendar year.

The bill reported out, as amended, is as follows:

#### **SECTION 1. SHORT TITLE.**

This Act may be cited as the "Line Item Veto Act".

#### **SEC. 2. LINE ITEM VETO AUTHORITY.**

(a) **IN GENERAL.**—Notwithstanding the provisions of part B of title X of The Congressional Budget and Impoundment Control Act of 1974, and subject to the provisions of this section, the President may rescind all or part of any discretionary budget authority or veto any targeted tax benefit which is subject to the terms of this Act if the President—

(1) determines that—

(A) such rescission or veto would help reduce the Federal budget deficit;

(B) such rescission or veto will not impair any essential Government functions; and

(C) such rescission or veto will not harm the national interest; and

(2) notifies the Congress of such rescission or veto by a special message not later than ten calendar days (not including Sundays) after the date of enactment of an appropriation Act providing such budget authority or a revenue or reconciliation Act containing a targeted tax benefit.

(b) **DEFICIT REDUCTION.**—In each special message, the President may also propose to reduce the appropriate discretionary spending limit set forth in section 601(a)(2) of the Congressional Budget Act of 1974 by an amount that

does not exceed the total amount of discretionary budget authority rescinded by that message.

(c) **SEPARATE MESSAGES.**—The President shall submit a separate special message for each appropriation Act and for each revenue or reconciliation Act under this paragraph.

**SEC. 3. LINE ITEM VETO EFFECTIVE UNLESS DISAPPROVED.**

(a)(1) Any amount of budget authority rescinded under this Act as set forth in a special message by the President shall be deemed canceled unless, during the period described in subsection (b), a rescission/receipts disapproval bill making available of the amount rescinded is enacted into law.

(2) Any provision of law vetoed under this Act as set forth in a special message by the President shall be deemed repealed unless, during the period described in subsection (b), a rescission/receipts disapproval bill restoring that provision is enacted into law.

(b) The period referred to in subsection (a) is—

(1) a congressional review period of twenty calendar days of session, beginning on the first calendar day of session after the date of submission of the special message, during which Congress must complete action on the rescission/receipts disapproval bill and present such bill to the President for approval or disapproval;

(2) after the period provided in paragraph (1), an additional ten days (not including Sundays) during which the President may exercise his authority to sign or veto the rescission/receipts disapproval;

(3) if the President vetoes the rescission/receipts disapproval bill during the period provided in paragraph (2), an additional five calendar days of session after the date of the veto.

(c) If a special message is transmitted by the President under this act and the last session of the Congress adjourns sine die before the expiration of the period described in subsection (b), the rescission or veto, as the case may be, shall not take effect. The message shall be deemed to have been retransmitted on the first Monday in February of the succeeding Congress and the review period referred to in subsection (b) (with respect to such message) shall run beginning after such first day.

**SEC. 4. DEFINITIONS.**

As used in this Act:

(1) The term “rescission/receipts disapproval bill” means a bill or joint resolution which—

(A) only disapproved a rescission of discretionary budget authority, in whole, rescinded, or

(B) only disapproved a veto of any targeted tax benefit,

in a special message transmitted by the President under this Act.

(2) The term “calendar days of session” shall mean only those days on which both Houses of Congress are in session.

(3) The term “targeted tax benefit” means any provision of a revenue or reconciliation Act determined by the President to provide a Federal tax deduction, credit, exclusion, preference, or other concession to 100 or fewer beneficiaries. Any partnership, limited partnership, trust, or S corporation, and any subsidiary or affiliate of the same parent corporation, shall be deemed and counted as a single beneficiary regardless of the number of partners, limited partners, beneficiaries, shareholders, or affiliated corporate entities.

(4) The term “appropriation Act” means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

#### **SEC. 5. CONGRESSIONAL CONSIDERATION OF LINE ITEM VETOES.**

(a) **PRESIDENTIAL SPECIAL MESSAGE.**—Whenever the President rescinds any budget authority as provided in this Act or vetoes any provision of law as provided in this Act, the President shall transmit to both Houses of Congress a special message specifying—

(1) the amount of budget authority rescinded or the provision vetoed;

(2) any account, department, or establishment of the government to which such budget authority is available for obligation, and the specific project or governmental functions involved;

(3) the reasons and justifications for the determination to rescind budget authority or veto any provision pursuant to this Act;

(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the rescission or veto; and

(5) all actions, circumstances, and considerations relating to or bearing upon the rescission or veto and the decision to effect the rescission or veto, and to the maximum extent practicable, the estimated effect of the rescission upon the objects, purposes, and programs for which the budget authority is provided.

(b) **TRANSMISSION OF MESSAGES TO HOUSE AND SENATE.**—

(1) Each special message transmitted under this Act shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committees of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

(2) Any special message transmitted under this Act shall be printed in the first issue of the Federal Register published after such transmittal.

(c) REFERRAL OF RESCISSION/RECEIPTS DISAPPROVAL BILLS.—Any rescission/receipts disapproval bill introduced with respect to a special message shall be referred to the appropriate committees of the House of Representatives or the Senate, as the case may be.

(d) CONSIDERATION IN THE SENATE.—

(1) Any rescission/receipts disapproval bill received in the Senate from the House shall be considered in the Senate pursuant to the provisions of this Act.

(2) Debate in the Senate on any rescission/receipts disapproval bill and debatable motions and appeals in connection therewith, shall be limited to not more than ten hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motions or appeal in connection with such bill shall be limited to one hour, to be equally divided between, and controlled by the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days not to exceed one, not counting any day on which the Senate is not in session) is not in order.

(e) POINTS OF ORDER.—

(1) It shall not be in order in the Senate or the House of Representatives to consider any rescission/receipts disapproval bill that relates to any matter other than the rescission of budget authority or veto of the provision of law transmitted by the President under this Act.

(2) It shall not be in order in the Senate or the House of Representatives to consider any amendment to a rescission/receipts disapproval bill.

(3) Paragraphs (1) and (2) may be waived or suspended in the Senate only by a vote of three-fifths of the members duly chosen and sworn.

#### SEC. 6. REPORTS OF THE GENERAL ACCOUNTING OFFICE.

Beginning on January 6, 1996, and at one-year intervals thereafter, the Comptroller General shall submit a report to each House of Congress which provides the following information:

(1) A list of each proposed Presidential rescission of discretionary budget authority and veto of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year, together with their dollar value, and an indication of whether each rescission of discretionary budget authority or veto of a targeted tax benefit was accepted or rejected by Congress.

(2) The total number of proposed Presidential rescissions of discretionary budget authority and vetoes of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year, together with their total dollar value.

(3) The total number of Presidential rescissions of discretionary budget authority or vetoes of a targeted tax benefit submitted through special messages for the fiscal year ending during the preceding calendar year and approved by Congress, together with their total dollar value.

(4) A list of rescissions of discretionary budget authority initiated by Congress for the fiscal year ending during the preceding calendar year, together with their dollar value, and an indication of whether each such rescission was accepted or rejected by Congress.

(5) The total number of rescissions of discretionary budget authority initiated and accepted by preceding calendar year, together with their total dollar value.

(6) A summary of the information provided by paragraphs (2), (3) and (5) for each of the ten fiscal years ending before the fiscal year during this calendar year.

## II. BACKGROUND AND NEED FOR THE LEGISLATION

This bill keeps faith with an important commitment in the Republican "Contract with America." Part of the Contract includes the Fiscal Responsibility Act, which calls for a balanced budget amendment and a legislative line-item veto to restore fiscal responsibility to an out-of-control Congress. The purpose of H.R. 2 is to change the tilt of the game from one that favors spending to one that favors saving.

Over the past fourteen years, the national debt has quintupled. By 1981 the total national debt—accumulated since 1789—had reached one trillion dollars. As we report this bill from committee, the total national debt is approaching five trillion dollars. Almost like clockwork, whether the President is Republican or Democrat, a trillion dollars is added to the national debt every four years. It took 192 years (from 1789 to 1981) to reach the first trillion dollars. That staggering sum is now tackled on with each four-year cycle.

This astonishing growth in federal deficits has fueled public support for the balanced budget amendment and the granting of item-veto authority to the President. The public wants curbs on the size of government and an end to unnecessary and wasteful spending. A poll conducted on November 28–29, 1994, by CNN, USA Today, and Gallup, shows 77 percent of the public in favor of legislation

that would allow the President to veto individual parts of a proposed spending bill rather than having to accept or veto the entire bill. In 1992, a joint poll by NBC and the Wall Street Journal asked citizens whether they favored giving the President a line-item veto to make it easier for him to cut wasteful spending. 68 percent responded affirmatively. Support for the item veto has been consistently strong over the past two decades.

#### ENHANCED RESCISSION AUTHORITY

H.R. 2 gives the President an important tool for eliminating or reducing wasteful governmental programs. Enhanced presidential authority will be one method, used in concert with others, to move the nation toward a balanced budget. Our bill strengthens the President's ability to rescind (cancel) appropriated funds. It also allows the President to eliminate targeted tax benefits (any provision of a revenue act the President determines would provide a Federal tax benefit to one hundred or fewer taxpayers). Under H.R. 2, after the President signs an appropriations bill or a tax measure, he may recommend to Congress that some of the funds or tax provisions be terminated. Those recommendations will automatically become law after a fixed period of time unless Congress, during a designated review period, votes by bill or joint resolution to disapprove. The President could veto that bill or joint resolution, forcing Congress to obtain a two-thirds vote in each House to override the veto. Our bill permits the President to choose between using the rescission process afforded under H.R. 2 or the existing impoundment process contained in title X of the Congressional Budget Act.

Enhanced rescission authority is needed to check congressional raids on the Treasury. Every year outlandish projects and tax benefits are concealed in appropriations bills and revenue measures. On their own it is unlikely that these items would survive scrutiny either in Congress or when the bill reached the President's desk. Tucked away in omnibus bills, however, they survive. Appropriations and tax bills are used to profit a favored few at the expense of the average taxpayer. For example, the Revenue Act of 1992 was passed to create enterprise zones in the aftermath of the Los Angeles riots. As the bill made its way through Congress, it contained over 50 special tax breaks that completely outspent the cost of the enterprise zones themselves and resulted in a President's veto. The special tax benefits Congress added covered such interests as special exemptions for certain rural mail carriers, special rules for Federal Express pilots, deductions for operators of licensed cotton warehouses, exemptions for some small firearms manufacturers, and exemptions for certain ferry operators. Under the Impoundment Control Act of 1974, the President cannot reach these special tax benefits and has limited ability to rescind funds for narrow, parochial purposes.

#### IMPOUNDMENT CONTROL ACT OF 1974

The purpose of H.R. 2 is to avoid the delays and inaction that are inherent in the current rescission process. Under the Impoundment Control Act of 1974, Congress must complete action on a President's rescission package within forty-five days of continuous session. Otherwise, the funds must be released to the agencies and



spent. There is no obligation on the part of Congress to consider or act on the President's proposals. Congress may, and often does, ignore a President's proposal to rescind funds. From 1974 to the present time, Presidents have recommended \$72.8 billion in rescissions. Of that amount, Congress has agreed only to \$22.9 billion, although additional congressional rescissions have been adopted.

Congress enacted the Impoundment Control Act in response to large-scale impoundments that occurred during the early 1970s. Federal programs were reduced and in some cases eliminated when the administration refused to spend funds that Congress had appropriated. The President's authority to impound funds was challenged in a number of court cases, with most of the rulings decided against the administration. The Impoundment Control Act represented a compromise between different versions of House and Senate bills intended to restrain impoundment and protect legislative priorities.

Over the years, the rescission procedure has proven to be too cumbersome and unworkable. The burden is on the President to obtain congressional approval during a fixed time period. Congress need only sit on its hands and do nothing to defeat a President's proposal. Our legislation reverses the burden. Presidential proposals will now become law unless Congress takes action to stop them. The burden will be on Congress, not the President. With access to enhanced rescission authority, Presidents can weed out wasteful pork-barrel spending or special tax benefits that are tucked away in otherwise good bills.

#### PROCEDURES FOR ENHANCED RESCISSION

Under the procedures established in this bill, the President must submit rescission proposals within ten calendar days (not including Sundays) after Congress passes an appropriations bill or tax measure. A separate rescission proposal will be required for each piece of legislation. Rescissions proposed under this bill will take effect unless Congress disapproves them in an up-or-down vote within twenty calendar days of session after receipt of the proposal. If the President vetoes the disapproval bill, Congress would have five days to override it by a two-thirds vote in each House.

The bill establishes procedures for Senate consideration of a proposed rescission, including limiting debate time on a disapproval bill to ten hours. It shall not be in order in the Senate or the House of Representatives to consider any disapproval bill that relates to any matter other than the rescission of budget authority or the cancellation of a targeted tax benefit as transmitted by the President under this legislation. It shall not be in order in the Senate or the House of Representatives to consider any amendment to a rescission/receipts disapproval bill. These points of order may be waived or suspended in the Senate only by a vote of three-fifths of the members duly chosen and sworn.

#### EXPEDITED RESCISSION

Our reported bill differs fundamentally from legislation passed by the House in 1992, 1993, and 1994, giving the President "expedited rescission" authority. Under that procedure, the burden remained on the President to obtain the approval of both Houses

within a specified number of days. Most of the House-passed bills applied solely to appropriations, although in 1994 the House agreed to an amendment that extended rescission procedures to presidential proposals to repeal targeted tax benefits in revenue bills. However, the central change to the existing procedure in the Impoundment Control Act was modest. Expedited rescission had the intention of forcing at least one House to act. If the House of Representatives supported the President's rescission proposal, the Senate would take up the measure. If the House defeated the rescission package, no Senate action would be necessary because under expedited rescission the President still needed the approval of both Houses within the allotted time.

Thus, the purpose of expedited rescission was an attempt to force the hand of one chamber to act. The burden of proof remained on the President. We think this procedure is too weak to yield significant budget savings and too weak to discourage wasteful legislative habits. The same majority in Congress that logrolled pork barrel projects in the first place would retain control over their survival. Enhanced rescission authority provides genuine item-veto power. Budget authority or targeted tax benefits will be automatically terminated after a fixed number of days unless Congress acts by bill or joint resolution to disapprove the President's proposal. The President may veto the bill or joint resolution and trigger an override effort, requiring a two-thirds majority in each House to prevail.

#### OBJECTIONS TO THE BILL

Among the arguments against the line-item veto, is that the measure will not solve the deficit problem. No one claims that it will. However, enhanced rescission authority will permit the President to eliminate pork and special tax breaks in bills passed by Congress. To that extent, H.R. 2 will help move the nation toward a balanced budget. Moreover, the line-item veto bill represents one of several measures that can produce greater control over federal spending and improve governmental accountability.

Unnecessary or wasteful projects and programs in appropriations bills, or special tax benefits in revenue measure, may be returned by the President to Congress for elimination. Instead of being able to hide narrow, limited-interest provisions in omnibus bills with the assurance that they will ride to safety, legislators will now be held accountable. The President can return those provisions to Congress and have their merits, or demerits, examined in the light of day. Rather than trading deals to slip provisions in a bill as part of time-honored logrolling, legislators will have to make a public and visible effort to enlist the support of their colleagues to disapprove a President's recommendation. This type of heightened accountability will be a healthy check on wasteful legislative habits.

Will enhanced rescission authority give the President too much power and tilt the balance toward executive control of the purse? We think that will not be the case. Greater presidential authority to rescind funds will create a better balance between executive and legislative interests. The Impoundment Control Act of 1974 was too restrictive. Enhanced rescission will protect the public's interest by

providing a tool for eliminating wasteful, unnecessary spending and for terminating unfair, narrow special tax benefits.

Because of recent litigation, the procedures in the Impoundment Control Act have become even more restrictive on presidential action. Under the terms of the 1974 legislation, Presidents could defer (delay) the obligation of budget authority. Either chamber of Congress, through a one-House legislative veto, could disapprove presidential deferrals. When the legislative veto was struck down as unconstitutional in *INS v. Chadha* (1983), it invalidated the one-House check on presidential deferrals. Several years later a court challenge successfully argued that if the legislative veto was invalid, so was the deferral authority attached to it. The two were inseparable. The effect was to limit deferrals to routine administrative actions. Presidents could no longer propose deferrals for policy reasons (disagreeing with the purpose of a program). Congress promptly enacted that policy into law.<sup>1</sup>

Certainly Presidents may use the existing veto power to challenge wasteful appropriations and revenues measures. However, the regular veto has been substantially undercut by the practice of passing omnibus appropriations, tax, and reconciliation measures and passing continuing resolutions at the last minute just before the fiscal year ends.

In light of these developments, H.R. 2 will help restore presidential responsibility over the wise and prudent use of appropriated funds and revenue provisions. As Chief Executive, the President should have a great sense of accountability in spending federal funds and resisting special tax benefits. The President is the one official responsible to the entire nation. The general public interest will be enhanced by strengthening presidential authority.

#### STATE ITEM-VETO AUTHORITY

H.R. 2 differs fundamentally from the kind of item-veto authority granted to governors in 43 states. They exercise their vetoes over individual projects and programs before a bill becomes law. Some governors can propose that certain items be reduced. They can take those actions because appropriations bills at the state level are highly itemized. It is not unusual to see sums as small as \$2,000. Because of item-veto authority and itemized bills, governors can literally delete and reduce unwanted sums while bills are before them.

This state model is not appropriate for the Federal Government. We do not itemize appropriations bills and see no reason to do so. For the most part, Congress provides large lump-sum accounts for agencies. Most of the details and instructions on how those funds should be spent are included in conference reports, agency justification documents, and other nonstatutory sources. The details do not appear in the law. It makes little sense to talk about item-veto authority unless we itemize bills.

We could take the details from nonstatutory sources and place them in appropriations bills, but that would add an undesirable rigidity to agency operations. Executive officials would have to imple-

<sup>1</sup>*INS v. Chadha*, 462 U.S. 919 (1983); *City of New Haven, Conn. v. United States*, 809 F.2d 900 (D.C. 1987); 101 Stat. 785, sec. 206 (1987).

ment highly detailed bills no matter the magnitude of change that occurs over the course of fiscal year. Their only opportunity for relief would be to come to Congress and request legislation to increase funds for some items and eliminate them for others. Agencies would be forced to seek large numbers of statutory amendments to the original appropriations bill. No one in either branch wants that. Under our present system of lump-sum funding, agencies are able to make adjustments and shift funds within large appropriations accounts. Additional legislation is not required. That practice makes sense for agencies and for Congress.

We decided on enhanced rescission for several reasons. It permits Congress to continue appropriating with lump sums. After a President signs an appropriations bill, he may propose for reduction or elimination any dollar amount specifically identified in a bill or committee report or joint explanatory statement accompanying a conference report on that Act. Given the structure and format of appropriations bills at the Federal level, enhanced rescission provides the President with greater power and discretion than he would have with item-veto authority. Item-veto authority, as practiced at the state level, would require the Federal Government to itemize appropriations bills. Such a step would disrupt and undermine effective agency management.

There is no authority in this bill for the President to take budget authority proposed for rescission and reallocate those funds to other purposes. This bill provides for the termination of budget authority. There would be no funds to reallocate.

### III. LEGISLATIVE HISTORY AND COMMITTEE ACTIONS

H.R. 2 was referred to the Committee on Government Reform and Oversight. With the Senate Committee on Governmental Affairs, a joint hearing was conducted on January 12, 1995. The bill was marked up on January 25 and reported favorably by a rollcall vote of 30 to 11, with one Member voting Present. The individual rollcall results are placed at the end of this report.

### IV. COMMITTEE HEARINGS

A joint hearing was held on January 12, 1995 by the House Committee on Government Reform and Oversight and the Senate Committee on Governmental Affairs. In the first panel, testimony was received from Senators John McCain and Dan Coats and from Representatives Gerald Solomon, Jack Quinn, Mark Neumann, and Michael Castle. All of these witnesses spoke in favor of granting the President enhanced rescission authority.

Governor William Weld of Massachusetts testified on experiences at the state level and confirmed the effectiveness of the item veto in controlling expenditures. Governor Weld discounted concerns that an executive item veto would lead to an imbalance in power and unwarranted presidential authority. He noted that similar legislation had led to greater cooperation and more careful planning between the legislative and executive branches in Massachusetts. Dr. Alice Rivlin, Director of the Office of Management and Budget, testified on behalf of the Clinton administration and expressed support for legislation that would enhance the President's authority to cut spending. Dr. Robert D. Reischauer, Director of the Congress-

sional Budget Office, noted in his testimony that enhanced rescission would provide the President with greater potential power than a constitutionally approved item veto.

Judge Gilbert S. Merritt, Chief Judge of the Sixth Circuit and chairman of the Executive Committee of the Judicial Conference, expressed concern about the policy implication of applying a presidential line-item veto to appropriations acts for the judiciary. Judge Merritt testified that the judiciary should be excluded from the coverage of H.R. 2 because judicial independence would be threatened from undue financial pressures by the executive branch.

The final panel consisted of Joseph Winkelmann of Citizens Against Government Waste, David Keating of the National Taxpayers Union, and Dr. Norman Ornstein of the American Enterprise Institute. Mr. Winkelmann and Mr. Keating supported enhanced rescission authority, while Dr. Ornstein regarded H.R. 2 as more of a transfer of power from Congress to the President than a question of spending restraint.

#### V. EXPLANATION OF THE BILL AS REPORTED: SECTION-BY-SECTION ANALYSIS

##### *Section 1. Short title*

This bill, when enacted, may be cited as the “Line Item Veto Act.”

##### *Sec. 2. Line item veto authority*

Notwithstanding the provisions of part B of title X of The Congressional Budget and Impoundment Control Act of 1974, and subject to the provisions of this section, the President may rescind all or part of any “discretionary budget authority” or veto any targeted tax benefit subject to the terms of this Act if the President complies with the standards set forth in this bill and notifies Congress by special message. The special message should specify whether the President intends to use the process established under H.R. 2 or the Impoundment Control Act. With regard to appropriations bills, the language “discretionary budget authority” limits the President’s rescission authority solely to dollar amounts. There is no authority to propose the rescission of provisos, conditions, or other language, nor may the President reallocate rescinded funds. Moreover, “discretionary” budget authority applies to funds that may be altered by Congress through the appropriations process, with the exception of direct-spending (entitlement) programs.

The standards set forth in this bill include a determination by the President that a proposed rescission of discretionary budget authority or a veto of a targeted tax benefit (1) would help reduce the Federal budget deficit, (2) will not impair any essential Government functions, and (3) will not harm the national interest. These standards provide sufficient guidance for the delegation of authority to the President.

When the President intends to rescind discretionary budget authority or veto a targeted tax benefit, he must notify the Congress by a special message not later than ten calendar days (not including Sundays) after the date of enactment of a regular or supplemental appropriation Act, a joint resolution making continuing ap-

appropriations, or a revenue or reconciliation Act containing a targeted tax benefit. The President must submit a separate rescission message for each appropriation Act and for each revenue Act under this paragraph.

*Sec. 3. Line item veto effective unless disapproved*

Any amount of budget authority rescinded under this Act, as set forth in the President's special message, shall be deemed canceled unless, during the period set aside in the bill, a rescission/receipts disapproval bill is enacted into law. The disapproval bill would make available all of the amount proposed for rescission. It applies to the entire special message submitted by the President. Disapproval bills for rescissions may not seek to overturn selected items in a special message, nor may the disapproval bills for rescissions seek to restore some but not all of the amounts proposed for rescission. The President's rescission proposal comes as a package and must be disapproved as a package.

Any provision of law, as set forth in a President's special message, shall be deemed repealed unless a rescission/receipts disapproval bill restoring that provision is enacted into law. If the President seeks to veto nine separate targeted tax benefits, the disapproval bill would be directed at all nine provisions, not a portion of them.

After the President submits a special message, Congress would have twenty calendar days of session to complete action on the rescission/receipts disapproval bill and present that bill to the President for signature or veto. At that point the President would have ten days (not including Sundays) to decide whether to sign or veto the bill. If the President vetoes the rescission/receipts disapproval bill, Congress would have five calendar days of session to consider a vote to override the veto.

Thus, approximately forty-five days are provided for this procedure: ten calendar days for the President to submit a special message, twenty calendar days of session for Congress to act on the rescission/receipts disapproval bill, ten days (not including Sundays) for the President to sign or veto the disapproval bill, and five calendar days of session for Congress to consider a vote to override the veto.

If the President transmits a special message under this Act and the last session of a Congress adjourns sine die before the expiration of the thirty-five days provided for congressional action, presidential signature/veto, and congressional override, the rescission or veto shall not take effect. The President's message shall be deemed to have been retransmitted on the first Monday in February of the succeeding Congress, and the review period of thirty-five days shall run beginning after such first day.

For example, if Congress considers an override at the end of the second session and adjourns sine die before the expiration of the five days set aside for that consideration, at the start of the next Congress the entire period of thirty-five days (twenty for congressional review, ten for presidential signature/veto, and five for override) begins anew. On the other hand, if Congress considered an override at the end of the *first* session and adjourned before the expiration of the five-day period, the calculation is different. What-

ever time Congress consumed would be deleted from the period of thirty-five days. If Congress used thirty-three of the Thirty-five days, when the second session began Congress would have two days remaining to consider the override.

*Sec. 4. Definitions*

As used in this Act, the term “rescission/receipts disapproval bill” means a bill or joint resolution that only disapproves a rescission of discretionary budget authority (in whole) or only disapproves an effort to veto any targeted tax benefit as transmitted in a presidential special message. Discretionary budget authority means budgetary resources (except to fund direct-spending programs) provided in appropriations Acts. In either case, on a rescission action or a targeted tax benefit, the bill or joint resolution of disapproval applies to the entire package of rescissions or the entire package of targeted tax benefits submitted by the President.

The term “calendar days of session” shall mean only those days on which both Houses of Congress are in session. This definition excludes periods of recess and adjournment.

The term “targeted tax benefits” means any provision of a revenue or reconciliation Act which the President determines would provide a Federal tax benefit to one hundred or fewer taxpayers. As defined by the bill, any partnership, limited partnership, trust, or S corporation, and any subsidiary or affiliate of the same parent corporation, would be counted as a single beneficiary.

*Sec. 5. Congressional consideration of line item vetoes*

(a) Presidential Special Message. Whenever the President rescinds any budget authority as provided in this Act or vetoes any provision of law as provided in this Act, the President shall transmit to both Houses of Congress a special message specifying:

- (1) the amount of budget authority rescinded or the provision vetoed;
- (2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved;
- (3) the reasons and justifications for the determination to rescind budget authority or veto any provision pursuant to this Act;
- (4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the rescission or veto; and
- (5) all actions, circumstances, and considerations relating to or bearing upon the rescission or veto and the decision to effect the rescission or veto, and to the maximum extent practicable, the estimated effect of the rescission upon the objections, purposes, and programs for which the budget authority is provided.

(b) Transmission of Messages to House and Senate. Each special message transmitted under this Act shall be transmitted to the House of Representatives and to the Senate on the same day. It shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committees of the two cham-

bers. Each message shall be printed as a document of each House. Any special message transmitted under this Act shall be printed in the first issue of the Federal Register published after the President's transmittal.

(c) Referral of Rescission/Receipts Disapproval Bills. Any rescission/receipts disapproval introduced with respect to a special message shall be referred to the appropriate committees of the House of Representatives and the Senate.

(d) Consideration in the Senate. Any rescission/receipts disapproval bill received in the Senate from the House shall be considered in the Senate pursuant to the provisions of this Act. Debate in the Senate on any rescission/receipts disapproval bill and debatable motions and appeals in connection therewith, shall be limited to not more than ten hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

Debate in the Senate on any debatable motions or appeal in connection with such bill shall be limited to one hour, to be equally divided between, and controlled by the mover and the manager of the bill. There is one exception to this procedure. In the event the manager of the bill favors any such motion or appeal, the opposition time shall be controlled by the minority leader or that leader's designee. Such leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days not to exceed one, not counting any day on which the Senate is not in session) is not in order.

(e) Points of Order. It shall not be in order in the Senate or in the House of Representatives to consider any rescission/receipts disapproval bill that relates to any matter other than the rescission of budget authority or veto of the provisions of law transmitted by the President under this Act. It shall not be in order in either chamber to consider any amendment to a rescission/receipts disapproval bill. The above points of order may be waived or suspended in the Senate only by a vote of three-fifths of the members duly chosen and sworn.

#### *Sec. 6. Reports of the General Accounting Office*

Beginning on January 6, 1996, and at one-year intervals thereafter, the Comptroller General shall submit to each House a report detailing each proposed presidential rescission and veto submitted for the prior fiscal year, together with its dollar value and whether it was accepted or rejected by Congress. The report by the Comptroller General shall also include the total number and dollar value of presidential proposals, the total number and dollar value of presidential rescissions and vetoes approved by Congress, and a list of rescissions initiated by Congress.



VI. COMPLIANCE WITH RULE XI

Pursuant to rule XI, clause 2(l)(3), of the Rules of the House of Representatives, under the authority of rule X, clause 2(b)(1) and clause 3(f), the results and findings from those oversight activities are incorporated in the recommendations found in the bill and amended in this report.

VII. BUDGET ANALYSIS AND PROJECTIONS

This Act provides for no new authorization or budget authority or tax expenditures. Consequently, the provisions of section 308(a) of the Congressional Budget Act are not applicable.

VIII. COST ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, January 27, 1995.*

Hon. WILLIAM F. CLINGER,  
*Chairman, Committee on Government and Oversight, House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 2, the Line Item Veto Act, as ordered reported by the House Committee on Government Reform and Oversight on January 25, 1995.

H.R. 2 would grant the President the authority to rescind all or part of any discretionary budget authority or veto any targeted tax benefit (defined as any provision of a revenue or reconciliation bill that provides a federal tax benefit to 100 or fewer taxpayers). To exercise this authority, the President must transmit a special message to both houses of Congress specifying each amount rescinded (or provision vetoed) from appropriations (or tax provisions) within a particular bill just signed by the President. Furthermore, the message must include the governmental functions involved, the reasons for the veto, and—to the extent practicable—the estimated fiscal, economic, and budgetary effect of the action. The President's message may also propose to reduce the discretionary spending caps by up to the amount of budget authority rescinded. This message must be transmitted within 10 calendar days (excluding Sundays) of enactment of the legislation containing the vetoed items. All budget authority rescinded would be canceled and any targeted tax benefit vetoed would be repealed unless Congress, within 20 working days, passes a rescission/receipts disapproval bill to restore the provisions. A disapproval bill could propose overruling one or more of the rescissions (or vetoes of tax provisions) proposed by the President in a single message. Because there could be a number of disapproval bills dealing with different combinations of the rescissions or vetoes proposed in a single Presidential message, the Congress could act on more than one such bill for each message. Those disapproval bills would themselves be subject to veto, with the usual two-thirds vote in each house required to override.

Additionally, the General Accounting Office would be required to submit a report to the Congress detailing each proposed Presidential rescission and veto, its dollar value, and whether it was accepted or rejected by the Congress. The GAO report would also list

all rescissions initiated by the Congress, along with the corresponding financial and legislative information.

The budgetary impact of this bill is uncertain, because it would depend on the manner in which the line item veto is used by the President and the success of the Congress in overriding vetoes, however, potential savings or costs are likely to be relatively small. Discretionary spending currently accounts for only one-third of total outlays and is already tightly controlled. Mandatory spending, by far the larger part of the budget, is not affected by H.R. 2. Because GAO already compiles data on proposed rescissions, the costs of the reporting requirements would not be significant.

By itself, this bill would not affect direct spending or receipts, so there would be no pay-as-you-go scoring under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

Enactment of this legislation would not directly affect the budgets of state and local governments. However, the exercise of line item veto authority could affect federal grants to states, federal contributions towards shared programs or projects, and the demand for state and local programs to compensate for increases or reductions in federal programs.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact on this issue is Jeffrey Holland.

Sincerely,

ROBERT D. REISCHAUER, *Director*.

#### IX. INFLATIONARY IMPACT STATEMENT

In accordance with rule XI, clause 2(l)(4) of the Rules of the House of Representatives, this legislation is assessed to have no inflationary effect on prices and costs in the operation of the national economy.

#### X. CHANGES IN EXISTING LAW

Clause 3 of rule XIII of the Rules of the House of Representatives requires that any change in existing law made by the bill, as reported, be shown with the existing law proposed to be omitted enclosed in black brackets, new matter printed in italic, and existing law in which no change is proposed shown in roman. This provision is inapplicable for the reported bill, which makes no change in existing law. Instead, it adds a new, freestanding procedure to the rescission process.

#### XI. COMMITTEE RECOMMENDATION

On January 25, 1995, a quorum being present, the Committee ordered the bill favorably reported.

COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
104TH CONGRESS  
ROLL CALL

Amendment Number: #1 Date: 01/25/85  
Description Offered By: Mr. Clinger  
Amendments En Bloc (4)

Voice Vote   X Ayes          Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wile			
Mr. Steny				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros-Lehtinen				Mr. Spent			
Mr. Zelliff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjorski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gusknecht				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martin				Mr. Green			
Mr. Scarborough				Mrs. Meek			
Mr. Shadegg				Mr. Mancera			
Mr. Flanagan				Mr. Patah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:        Aye        Nay        Present

**COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT**  
**104TH CONGRESS**  
**ROLL CALL**

Amendment Number: **#2** Date: **01/25/95**  
 Description: \_\_\_\_\_ Offered By: **Mr. Blute**  
 Twenty Calendar Days  
 to Ten Calendar Days

Voice Vote   X Ayes          Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gliman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wice			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros-Lehtinen				Mr. Spratt			
Mr. Zeff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjorski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gutknecht				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martini				Mr. Geron			
Mr. Scarborough				Mrs. Mook			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Fattah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:        Aye        Nay        Present

**COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT**  
**104TH CONGRESS**  
**ROLL CALL**

**Amendment Number:** #3      **Date:** 01/25/05  
**Description:**      **Offered By:** Mr. Moran  
**Limitation on Application**

Voice Vote           Ayes           Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger		X		Mrs. Collins - IL	X		
Mr. Gilman		X		Mr. Waxman	X		
Mr. Burton		X		Mr. Lantos			
Mrs. Morella		X		Mr. Wisc	X		
Mr. Shays		X		Mr. Owens	X		
Mr. Schiff		X		Mr. Towns	X		
Mrs. Ros-Lehtinen		X		Mr. Spratt	X		
Mr. Zeff		X		Mrs. Slaughter	X		
Mr. McHugh		X		Mr. Kanjorski		X	
Mr. Horn		X		Mr. Condit		X	
Mr. Mica		X		Mr. Peterson		X	
Mr. Blute		X		Mr. Sanders			
Mr. Davis		X		Mrs. Thurman	X		
Mr. McIntosh				Mrs. Maloney	X		
Mr. Fox		X		Mr. Barrett	X		
Mr. Tate		X		Mr. Taylor		X	
Mr. Chrysler		X		Mrs. Collins - MI	X		
Mr. Gutzkecht		X		Mrs. Norton	X		
Mr. Souder		X		Mr. Moran	X		
Mr. Martini		X		Mr. Green	X		
Mr. Scarborough		X		Mrs. Moak	X		
Mr. Shadegg		X		Mr. Mascara	X		
Mr. Flanagan				Mr. Patah	X		
Mr. Bera		X					
Mr. LaTourette		X					
Mr. Sanford		X					
Mr. Ehrlich		X					

**Totals:**      17 Aye      29 Nay             Present

COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
104TH CONGRESS  
ROLL CALL

Amendment Number: #4 Date: 01/25/85  
Description: Offered By: Mr. Blute  
Change the Effective Date for  
Re-Transmission of a Presidential Disapproval Message  
Voice Vote X Ayes \_\_\_\_\_ Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wice			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros-Lehtinen				Mr. Spratt			
Mr. Zeliff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjoraki			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gusknecht				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martini				Mr. Green			
Mr. Scarborough				Mrs. Moak			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Fattah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals: \_\_\_\_\_ Aye \_\_\_\_\_ Nay \_\_\_\_\_ Present

**COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT**  
**104TH CONGRESS**  
**ROLL CALL**

Amendment Number: #5 Date: 01/25/95  
Description Offered By: Mrs. Thurman  
New Section, Page 7, after line 17 WITHDRAWN  
Voice Vote Ayes Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wisc			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros-Lehtinen				Mr. Spratt			
Mr. Zeff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjorski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gutknecht				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martini				Mr. Green			
Mr. Scarborough				Mrs. Moeck			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Patah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:      \_\_\_ Aye      \_\_\_ Nay      \_\_\_ Present

**COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT**  
**104TH CONGRESS**  
**ROLL CALL**

Amendment Number: #6      Date: 01/25/95  
 Description: Targeted Tax Benefit      Offered By: Mrs. Slaughter  
 Page 5, strike line 16 through 19

Voice Vote      Ayes      Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger		X		Mrs. Collins - IL	X		
Mr. Gilman		X		Mr. Waxman	X		
Mr. Burton		X		Mr. Lantos			
Mrs. Morella		X		Mr. Waco			
Mr. Shays		X		Mr. Owens			
Mr. Schiff				Mr. Towns	X		
Mrs. Ros-Lehtinen		X		Mr. Spratt	X		
Mr. Zeff		X		Mrs. Slaughter	X		
Mr. McHugh		X		Mr. Kanjorski	X		
Mr. Horn		X		Mr. Condit			
Mr. Mica		X		Mr. Peterson		X	
Mr. Blute		X		Mr. Sanders	X		
Mr. Davis		X		Mrs. Thurman	X		
Mr. McIntosh				Mrs. Maloney	X		
Mr. Fox		X		Mr. Barrett	X		
Mr. Tate				Mr. Taylor	X		
Mr. Chrysler		X		Mrs. Collins - MI	X		
Mr. Gutmacht		X		Mrs. Norton	X		
Mr. Souder		X		Mr. Moran			
Mr. Martini		X		Mr. Green			
Mr. Scarborough		X		Mrs. Meek			
Mr. Shadegg		X		Mr. Mascara	X		
Mr. Flanagan				Mr. Patah	X		
Mr. Bass		X					
Mr. LaTourette		X					
Mr. Sanford		X					
Mr. Ehrlich							

Totals:      15 Aye      23 Nay      Present



COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
104TH CONGRESS  
ROLL CALL

Amendment Number: #7      Date: 01/25/85  
Description:      Offered By: Mr. Shays, Mr. Blute,  
Deficit Reduction      Mr. Barrett & Mr. Taylor  
Page 3, after line 10

Voice Vote      X Ayes               Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wisc			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros-Lehtinen				Mr. Spratt			
Mr. Zeiliff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjorski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gutknecht				Mrs. Norton			
Mr. Souder				Mr. Morn			
Mr. Martini				Mr. Green			
Mr. Scarborough				Mrs. Mook			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Patah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:             Aye           Nay           Present

**COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT**  
**104TH CONGRESS**  
**ROLL CALL**

Amendment Number: #8

Date: 01/25/95

Description

Offered By:

Mrs. Morella

Section 4, Page 5, line 18,  
strike "5" and insert "100"

WITHDRAWN

Voice Vote

Ayes

Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wiae			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros - Lehtinen				Mr. Spratt			
Mr. Zeliff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjorski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gutknecht				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martini				Mr. Green			
Mr. Scarborough				Mrs. Meek			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Fattah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:      \_\_\_\_ Aye      \_\_\_\_ Nay      \_\_\_\_ Present

COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
104TH CONGRESS  
ROLL CALL

Amendment Number: #9      Date: 01/25/95  
Description: Targeted Tax Benefits      Offered By: Mr. Spratt  
Page 5, strike lines 16 through 19

Voice Vote      X   Ayes             Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wile			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Roe-Lehtinen				Mr. Spratt			
Mr. Zeff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjorski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blunt				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gutmacher				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martini				Mr. Green			
Mr. Scarborough				Mrs. Meek			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Fattah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:             Aye           Nay           Present

COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
104TH CONGRESS  
ROLL CALL

Amendment Number: #10 Date: 01/25/95  
Description Offered By: Mr. Spratt  
Tax Expenditure  
Page 2, line 11

Voice Vote      Ayes      X      Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wiae			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros-Lehtinen				Mr. Spratt			
Mr. Zeff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjorski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gutmacht				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martini				Mr. Green			
Mr. Scarborough				Mrs. Meek			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Fattah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:      \_\_\_\_ Aye      \_\_\_\_ Nay      \_\_\_\_ Present

**COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT**  
**104TH CONGRESS**  
**ROLL CALL**

Amendment Number: #11      Date: 01/25/95  
 Description      Offered By: Mr. LaTourette  
 Sec. 6 Reports of the  
 General Accounting Office

Voice Vote        X Ayes                   Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger				Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman			
Mr. Burton				Mr. Lantos			
Mrs. Morella				Mr. Wise			
Mr. Shays				Mr. Owens			
Mr. Schiff				Mr. Towns			
Mrs. Ros-Lehtinen				Mr. Spratt			
Mr. Zeff				Mrs. Slaughter			
Mr. McHugh				Mr. Kanjowski			
Mr. Horn				Mr. Condit			
Mr. Mica				Mr. Peterson			
Mr. Blute				Mr. Sanders			
Mr. Davis				Mrs. Thurman			
Mr. McIntosh				Mrs. Maloney			
Mr. Fox				Mr. Barrett			
Mr. Tate				Mr. Taylor			
Mr. Chrysler				Mrs. Collins - MI			
Mr. Gutknecht				Mrs. Norton			
Mr. Souder				Mr. Moran			
Mr. Martini				Mr. Green			
Mr. Scarborough				Mrs. Meek			
Mr. Shadegg				Mr. Mascara			
Mr. Flanagan				Mr. Patah			
Mr. Bass							
Mr. LaTourette							
Mr. Sanford							
Mr. Ehrlich							

Totals:             Aye           Nay           Present

**COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT**  
**104TH CONGRESS**  
**ROLL CALL**

Amendment Number: #12

Date: 01/25/95

Description:

Offered By: Mr. Spratt

New Subsection (b) Special Rule

Voice Vote         Ayes         Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger		X		Mrs. Collins - IL			
Mr. Gilman				Mr. Waxman	X		
Mr. Burton		X		Mr. Lantos			
Mrs. Morella				Mr. Wisc	X		
Mr. Shays		X		Mr. Owens			
Mr. Schiff		X		Mr. Towns	X		
Mrs. Roe - Lehtinen		X		Mr. Spratt	X		
Mr. Zeff		X		Mrs. Slaughter	X		
Mr. McHugh		X		Mr. Kanjorski	X		
Mr. Horn		X		Mr. Condit		X	
Mr. Mica		X		Mr. Peterson		X	
Mr. Blunt		X		Mr. Sanders	X		
Mr. Davis				Mrs. Thurman	X		
Mr. McIntosh				Mrs. Maloney	X		
Mr. Fox				Mr. Barrett	X		
Mr. Tate		X		Mr. Taylor	X		
Mr. Chrysler		X		Mrs. Collins - MI	X		
Mr. Gutknecht		X		Mrs. Norton			
Mr. Souder		X		Mr. Moran			
Mr. Martini		X		Mr. Green	X		
Mr. Scarborough		X		Mrs. Meek	X		
Mr. Shadegg		X		Mr. Mascara	X		
Mr. Flanagan				Mr. Fattah			
Mr. Bess		X					
Mr. LaTourette		X					
Mr. Sanford		X					
Mr. Ehrlich		X					

Totals:            15 Aye            23 Nay                 Present

COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
104TH CONGRESS  
ROLL CALL

Amendment Number: #13 Date: 01/25/95  
Description: New Section: Offered By: Mr. Kanjorski  
SEC. 6 TERMINATION DATE

Voice Vote           Ayes           Nays

Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger		X		Mrs. Collins - IL	X		
Mr. Gilman		X		Mr. Waxman	X		
Mr. Burton				Mr. Lantos			
Mrs. Morella		X		Mr. Wiae	X		
Mr. Shays		X		Mr. Owens			
Mr. Schiff		X		Mr. Towns	X		
Mrs. Ros-Lehtinen		X		Mr. Spratt	X		
Mr. Zeff		X		Mrs. Slaughter	X		
Mr. McHugh		X		Mr. Kanjorski	X		
Mr. Horn		X		Mr. Condit	X		
Mr. Mica		X		Mr. Peterson	X		
Mr. Blute		X		Mr. Sanders			
Mr. Davis		X		Mrs. Thurman	X		
Mr. McIntosh				Mrs. Maloney	X		
Mr. Fox		X		Mr. Barrett	X		
Mr. Tate		X		Mr. Taylor	X		
Mr. Chrysler		X		Mrs. Collins - MI	X		
Mr. Gutmacht		X		Mrs. Norton	X		
Mr. Souder		X		Mr. Moran			
Mr. Martini		X		Mr. Green	X		
Mr. Scarborough		X		Mrs. Meek			
Mr. Shadegg				Mr. Mascara	X		
Mr. Flanagan				Mr. Fattah			
Mr. Bass		X					
Mr. LaTourette		X					
Mr. Sanford		X					
Mr. Ehrlich							

Totals:    17 Aye    22 Nay           Present

COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
104TH CONGRESS  
ROLL CALL

Final Passage of H.R. 2

Date:

01/25/95

Voice Vote				Ayes				Nays			
Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present	Rep.	Aye	Nay	Present
Mr. Clinger	X			Mrs. Collins - IL		X					
Mr. Gilman	X			Mr. Waxman		X					
Mr. Burton	X			Mr. Lantos							
Mrs. Morella	X			Mr. Wisc		X					
Mr. Shays	X			Mr. Owens							
Mr. Schiff	X			Mr. Towns		X					
Mrs. Ros-Lehtinen	X			Mr. Spratt			X				
Mr. Zeff	X			Mrs. Slaughter		X					
Mr. McHugh	X			Mr. Kanjorski		X					
Mr. Horn	X			Mr. Condit	X						
Mr. Mica	X			Mr. Peterson	X						
Mr. Blute	X			Mr. Sanders		X					
Mr. Davis	X			Mrs. Thurman	X						
Mr. McIntosh				Mrs. Maloney		X					
Mr. Fox	X			Mr. Barrett	X						
Mr. Tate	X			Mr. Taylor		X					
Mr. Chrysler	X			Mrs. Collins - MI		X					
Mr. Gutmacht	X			Mrs. Norton		X					
Mr. Souder	X			Mr. Moran							
Mr. Martini	X			Mr. Green	X						
Mr. Scarborough	X			Mrs. Moak							
Mr. Shadegg	X			Mr. Mascara	X						
Mr. Flanagan				Mr. Fattah							
Mr. Bass	X										
Mr. LaTourette	X										
Mr. Sanford	X										
Mr. Ehrlich											

Totals:            30 Aye            11 Nay            1 Present



## MINORITY VIEWS ON H.R. 2

One thing that we all agree upon is that reducing the Federal deficit is one of the most important tasks that faces the nation. During the past two years, the amount of the annual deficit is declining, but much more needs to be done. The question on this bill, like several others moving forward in this Congress, is whether they will achieve this goal, and whether there are hidden consequences that go too far.

The Constitution vests the power of the purse in the Congress. It is a responsibility that we take seriously. Our constituents vote for us with the understanding that we are expected to use this power carefully, and that we must be held accountable.

The Constitution also gives the President certain powers, including the right to veto legislation. Over the years, we have looked to various mechanisms to carry out this balance of power. These mechanisms have had various degrees of success.

The bill before us is one such mechanism. As we shall discuss further in these views, the bill is one of the most extreme mechanisms tilting the balance of power radically to the Executive Branch. Its tilt may well be unconstitutional. At a minimum, it is a serious error.

Before proceeding to a discussion of the bill's provisions, and our concerns, it is important to place the spending covered by the bill in perspective. The bill deals only with discretionary budget authority (and to an extremely limited degree, targeted tax benefits).

Our total Federal debt has grown enormously, from \$900 billion in 1980 to a projected \$4.9 trillion this year. This problem did not stem from a lack of a line item veto. Instead, spending way beyond our means produced this debt.

The large tax cuts requested by the President in 1981 cost the government nearly \$270 billion in lost revenues by 1988. At the same time, at the President's request, defense spending more than doubled, and deficits soared.

As a result, 28 cents out of every income tax dollar goes just to pay the interest on the debt accumulated in just the past 13 years.

The line-item veto will never touch these interest payments on the debt. Nor will this legislation touch mandatory spending. Interest on the debt and mandatory spending have grown from nearly 48 percent of total Federal outlays in 1985, to a projected 55 percent this year.

Instead, this bill only covers discretionary spending that is subject to the appropriations process. Ironically, this is the one area of the Federal budget that has been held in check. Discretionary spending as a percentage of total federal outlays has fallen from 44 percent in 1985 to a projected 36 percent this year.

The report accompanying this bill suggests that all of the spending problems seem to be with the Congress, and not with the exec-

utive branch. The presumption is that Congress has been particularly irresponsible in dealing with rescissions.

The facts paint a different picture. Over the past 20 years in which the President has had authority to rescind appropriations, Presidents have proposed just \$72 billion in rescissions. During that same time, the Congress passed rescissions of \$92 billion—\$20 billion more than Presidents requested.

Nonetheless, concern over the deficit would cause all of us to look carefully at any proposal to reduce spending. The question remains whether H.R. 2 is the answer.

It has often been stated that 43 Governors have a line-item veto authority. That is correct. However, H.R. 2, despite its title, is not a line-item veto. It is instead a much greater executive branch power known as enhanced rescission authority.

Section 2 of the bill permits the President to “rescind all or part of any discretionary budget authority.” The President’s authority to look behind line-items, to see what is funded, to define the project or category of spending to target, and then to reduce the spending to the level of his wish is a broad power that is a best analogous to the power of just 10 Governors.

A draft of the Committee Report which was provided at markup stated the following:

H.R. 2 differs fundamentally from the kind of item-veto authority granted to governors in 43 states \* \* \*

This state model is not appropriate for the Federal Government \* \* \*

We decided on enhanced rescission for several reasons. It permits Congress to continue appropriating with lump sums. Moreover, after a President signs an appropriations bill, he may go as deep as he likes within an appropriations account to propose specific rescissions.

In other words, the bill is not a line item veto. It is an extremely powerful authority to reduce, not just eliminate an item, and to define what the item is.

The bill gives the President no guidelines on these broad authorities to rescind appropriations. The President need only make three meaningless determinations. The first determination is that the rescission would help reduce the deficit. By definition, less spending reduces the deficit. The other two determinations—that the rescission will not impair essential government functions nor harm the national interest—mean nothing. No President would admit that a Presidential action would harm the national interest or the operation of government.

This broad shift of power can easily lead to abuses. The President could target the rescissions against elements of the judicial branch, if their opinions were not to his liking. It could be directed at particular parts of the country, or at particular legislators. It is unclear whether the power would be used as a bargaining chip to force the Congress to pay for a pet Presidential project, thus increasing spending.

The shift of power to the executive branch means that a “one-third plus one” minority working with the President would now control spending. If the President rescinded an item, an override

bill could be vetoed, and the veto could be sustained by a one-third plus one minority.

The fundamental power shift in this bill would be permanent. It is hard to imagine any President willingly giving back this new found power. Thus, if Congress determined that it had erred in giving the executive branch too much power, it would take a two-thirds majority in both bodies in order to override a veto of a bill that took back the power.

An amendment by Congressman Kanjorski to place a sunset on this bold transfer of power to the executive branch, so that Congress could review its decision, and could renew the authority with a simple majority vote, was defeated in committee.

We urge our colleagues to review H.R. 2 carefully before voting. We were surprised to learn during the markup of the bill that many of our colleagues appeared to have a limited or widely varying views on the nature of the rescission authority being granted to the President. Few appeared to realize that the rescission authority was far different, and far broader, than a line-item veto.

Some of us would oppose any transfer of Congressional responsibilities to the executive branch. Other would be willing to delegate certain rescission authorities that are clearly defined. Unfortunately, H.R. 2 is an extreme, and perhaps unconstitutional, transfer of power to the executive branch that may do little to reduce the deficit.

As with many of the bills in the Contract with America, the one missing element is an honest description of how the budget deficit will actually be reduced. That should be the first priority of this Congress.

CARDISS COLLINS.  
EDOLPHUS TOWNS.  
LOUISE SLAUGHTER.  
ELEANOR HOLMES NORTON.  
BOB WISE.  
HENRY A. WAXMAN.  
BARBARA-ROSE COLLINS.  
PAUL E. KANJORSKI.  
CHAKA FATTAH.  
CAROLYN MALONEY.

ADDITIONAL VIEWS SUBMITTED BY MR. MORAN, MS.  
NORTON, MS. MEEK, MS. SLAUGHTER, AND MR. FATTAH

In its haste to report the "Line Item Veto Act", the committee did not adequately consider the impact this legislation would have on the traditional separation of powers among the executive, legislative, and judicial branches of government.

The "Line Item Veto Act" will give the President authority over the spending and resource allocation of the Judiciary, authority he does not currently enjoy. We are concerned about this new executive power because it may subject the Judiciary to undue and unacceptable interference from a party who is the chief litigant in the federal courts, the executive branch.

There is precedent for our concern. In fact, before the Congress created the Administrative Office in 1939, the Judicial branch was subjected to undue influence from a strong President. Prior to 1939, the Courts were administered through the Justice Department and had to submit their budgets through the executive branch. As any student of history will remember, this relationship was not always cordial. The Supreme Court particularly came under attack during the Roosevelt Administration when they objected to a number of New Deal programs. The antagonism between the branches of government culminated in an effort to "pack the court" by increasing the number of Justices.

Although this plan ultimately failed, the President was successful in more subtle efforts to diminish the authority, effectiveness, and autonomy of the courts. As the Committee heard through testimony offered by the Honorable Gilbert Merritt, Chairman of the Executive Committee of the Judicial Conference of the United States, the Justice Department in the 1930s repeatedly rejected the Judiciary's requests for funding. The Justice Department refused to pass on requests for new judgeships, cut judge's travel funds, eliminated funding for bailiffs, criers, and messengers, and otherwise interfered with the Judiciary's autonomy.

In 1939, Congress acted to protect and isolate the judicial branch from partisan politics explicitly directing that the budgets of the lower courts be submitted to the Congress without change. The intent of this action was to give the Courts the power and authority to conduct their own affairs and end a situation in which the chief litigant before the court had the authority over the fiscal affairs of the courts.

If we pass this Act as currently written, we will negate the Budget and Accounting Act of 1921, and, once again, allow the executive branch to punitively and arbitrarily cut the Judiciary's budget. During the Committee mark-up of H.R. 2, there was significant confusion about how deep the President could "reach into" the Judiciary accounts to cut different programs. Members of the Majority thought the President could only veto an entire line item and thus

could not easily or subtly impact Judiciary appropriations. This interpretation was incorrect and inconsistent with the actual language of the bill. In fact, as the Majority writes in its own Committee report, "after a President signs an appropriations bill, he may go as deep as he likes within an appropriations account to propose specific rescissions."

With H.R. 2, we are seriously undermining the effectiveness of the Budget and Accounting Act and other actions by Congress that ensured the independence of the Judiciary. This Act may unintentionally compromise the autonomy of the courts by subjecting the Judiciary to Presidential review and approval. If this Act were to pass, the President could easily jeopardize the effectiveness and authority of the courts by reducing appropriations for clerk salaries, cutting key administrative personnel, or reducing funds for the upkeep and maintenance of the Supreme Court itself. The President could also directly reduce the line items for courts whose cases and opinions interact with ongoing federal policy, such as the Court of International Trade or the Court of Appeals for the Federal Circuit without explanation. Such a reduction could easily compromise the operations of these overburdened and critically important courts.

We all know the current President would never abuse his authority or act arbitrarily. We hope that future Presidents would share his restraint. We can all imagine a President, however, who would not limit his use, and potential abuse, of this authority. The issues before the courts are never easy and often complicated. We must ask ourselves whether we really want this branch subjected to the whims and influences of partisan politics.

Defenders of H.R. 2 argue that any rescission is subject to Congressional review and could be disapproved by a simple majority. The Act, however, seriously restricts Congress' ability to overturn a rescission because any resolution of disapproval will require a  $\frac{2}{3}$  vote of both bodies of Congress to override the inevitable Presidential veto. Such a threshold will be hard to meet particularly since the President need not completely and overtly line out an entire account to cripple the operations of the Judiciary.

The importance of our amendment cannot be overstated. The federal courts have traditionally been the guarantor of individual rights and the repository of mercy in our legal system. The courts have dispensed justice and ensured the full rights of citizenship for millions of African Americans and other minorities. The courts also deal with the most controversial and oftentimes emotional issues in our society. The danger our amendment sought to address is that a President may succumb to the temptation to use the line-item veto to pressure or intimidate the Judiciary and thereby exercise improper influence over its decisions.

The judicial branch is not part of the problem that gives rise to this legislation. There are no unauthorized projects appropriated in Judiciary accounts. There are no special interests using the judicial branch to benefit their individual cause. The Judiciary is unique in requiring absolute independence but essential contact with the other branches because of the nature of its mission to judge individual cases and controversies by the rule of law alone. The Judiciary serves only the American people and we, in turn, are all served

by its independence. We must not violate that contract in our haste to pass another.

JAMES P. MORAN.  
ELEANOR HOLMES NORTON.  
CARRIE P. MEEK.  
LOUISE M. SLAUGHTER.  
CHAKA FATTAH.

#### ADDITIONAL VIEWS OF REPRESENTATIVE TOM BARRETT

I am a strong supporter of the line-item veto. The line-item veto can be a powerful tool in efforts to reduce the Federal deficit.

The bill before us, H.R. 2, however, only does half the job. The President of the United States should be able to take out pork barrel projects and special targeted tax breaks that have been garnered through backroom deals in the U.S. Capitol. As amended, H.R. 2 would give the President sufficient power to veto appropriations spending, but would limit the power of the President to take out special tax breaks hidden in revenue bills.

Both special appropriations projects and targeted tax breaks are serious problems. Tax pork is as bad as spending pork. In many ways the problem of having items hidden in revenue bills is more serious, because as we all know, over the next five years, the amount of discretionary spending under the purview of the Appropriations Committees will shrink. Under this bill, those who desire sweetheart deals with Congress would concentrate their pursuit of benefits through special tax breaks beyond the reach of the Presidential veto pen and sometimes out of view of budgetary snapshots.

The American people are justifiably outraged to hear of special give-aways, special tax breaks and special sweetheart deals Congress makes to special friends. H.R. 2, even as amended in the Government Reform and Oversight Committee, cannot ensure the public that there is an adequate tool to remove the pork that appears in legislation.

During the mark up of H.R. 2 an amendment was offered by Rep. Slaughter that would have given the President the power to veto "targeted tax credits" that would provide a "benefit in the form of a different treatment for a particular taxpayer or limited class of taxpayers whether or not such provision is limited by its terms to a particular taxpayer or a class of taxpayers. Such term does not include any benefit provided to a class of taxpayers distinguished on the basis of general demographic conditions such as income, number of dependents or marital status." The amendment was defeated.

During the mark up of H.R. 2, Chairman Clinger opposed this language as being too broad. I disagree. To truly address our deficit problems, the President must have the authority to go after tax loopholes and tax carve-outs brokered by special interests and slipped into revenue bills.

In addition, the exact language Rep. Slaughter offered has a long history of Republican support. The same language was in the definition of "targeted tax benefit" that was part of an amendment offered by former Minority Leader Bob Michel in the 103d Congress as an amendment to the Castle substitute on H.R. 1578.

Indeed, Chairman Clinger spoke strongly in favor of this provision at the time. The House voted 257-157 in favor of this lan-

guage. Many Republicans currently serving on this Committee voted in favor of this language on April 29, 1993.

With tighter constraints on appropriations spending, I believe the veto power over special tax breaks contained in the language of the Slaughter amendment—the same language as in the Michel amendment in the 103d Congress, is the way to bring confidence back to the American people that the day of the “backroom deal” has truly ended.

TOM BARRETT.

